

**HOG PRODUCTION: Farrow-to-Finish, Farrow-to-Feeder,
Feeder Pig-to-Finish, Costs and Returns, Heartland Region, 2003 1/**

Item	All Hog Producers	Farrow to Finish	Farrow to Feeder 2/	Feeder Pig to Finish
<u>Dollars per Cwt Gain 3/</u>				
Gross value of production				
Market hogs	36.29	35.62	1.78	43.59
Feeder pigs	10.16	0.72	102.91	0.15
Cull stock	0.99	1.74	2.53	0.01
Breeding stock	0.44	0.15	0.17	0.01
Inventory change	0.00	0.06	-4.57	1.04
Other income 4/	1.72	1.63	1.39	1.87
Total gross value of production	49.60	39.92	104.21	46.67
Operating costs				
Feed				
Grain	7.65	9.77	1.96	6.10
Protein sources	6.64	9.40	0.92	4.11
Complete mixes	8.27	4.96	26.98	9.46
Other feed items 5/	0.22	0.37	0.24	0.08
Total feed costs	22.78	24.50	30.10	19.75
Other				
Feeder pigs	12.61	0.07	0.59	27.28
Veterinary and medicine	1.21	1.66	2.77	0.55
Bedding and litter	0.04	0.04	0.06	0.02
Marketing	0.66	0.35	3.83	0.57
Custom services	0.33	0.28	0.29	0.41
Fuel, lube, and electricity	1.58	1.69	4.08	1.00
Repairs	0.91	1.28	1.15	0.42
Other operating costs 6/	0.04	0.03	0.04	0.03
Interest on operating capital	0.21	0.16	0.23	0.26
Total operating costs	40.37	30.06	43.14	50.29
Allocated overhead				
Hired labor	2.80	3.18	14.06	0.49
Opportunity cost of unpaid labor	5.72	7.44	7.59	3.35
Capital recovery of machinery and equipment	10.99	11.82	28.04	6.88
Opportunity cost of land (rental rate)	0.05	0.06	0.07	0.02
Taxes and insurance	0.49	0.54	0.94	0.37
General farm overhead	1.05	1.16	1.61	0.80
Total, allocated overhead	21.10	24.20	52.31	11.91
Total costs listed	61.47	54.26	95.45	62.20
Value of production less total costs listed	-11.87	-14.34	8.76	-15.53
Value of production less operating costs	9.23	9.86	61.07	-3.62
Supporting information				
Production arrangement (percent of production)				
Independent	70	99	22	47
Under contract	30	1	78	53
Size of operation (head sold/removed)				
Market hogs	1,924	1,712	76	2,770
Feeder pigs	1,112	56	10,125	13

1/ The Heartland Region includes portions of South Dakota, Nebraska, Iowa, Missouri, Illinois, Indiana, Ohio, and Minnesota's Ag. Statistics Districts 4, 7, 8, and 9. Minnesota is also part of the Northern Crescent and Northern Great Plains Regions. Information is available about the Northern Crescent and Northern Great Plains Regions on the ERS website. Developed from survey base year, 1998.

2/ Farrow to Feeder data are for the United States (Heartland Region data are not available).

3/ Cwt gain = (cwt sold - cwt purchased) ÷ cwt inventory change.

4/ Value of manure production.

5/ Milk replacer, milk, milk by-products, antibiotics, and other medicated additives.

6/ Costs for odor control, fees, permits, licenses, and other regulatory costs.

Source: Economic Research Service, United States Department of Agriculture, Washington, D.C.
Internet Web Site (www.ers.usda.gov/data/)